

WIFA DEBT Authorization Guidance Document

The debt authorization requirements vary depending on whether the borrower is a governmental or non-governmental entity and also depend on the population size of the governmental entity seeking debt authorization. **THESE ARE GENERAL GUIDELINES AND ACTUAL REQUIREMENTS MAY VARY WITH THE POPULATION AND THE SOURCE OF REPAYMENT FOR THE LOAN. COUNSEL FOR THE BORROWER SHOULD BE CONSULTED AS TO THE REQUIRED AUTHORIZATIONS.**

Governmental Borrowers

Governmental borrowers are defined as cities, towns, tribes and forms of county and municipal improvement districts. The requirements for governmental borrowers depend on the population size of the governmental entity and the source of the repayment funds. Population is defined by the most recent U.S. Census numbers. *Please note that the population calculation for municipal special districts are based on the population* **ACCORDING TO THE MOST RECENT U.S. DECENNIAL CENSUS** for the sponsoring municipality and the population that the specific improvement district serves.

For a population over 50,000 people

Debt authorization via bond election as set out in A.R.S. § 9-571(c), or Please note that an election is not required if voter approval has previously been obtained for substantially the same project with another funding source, if the project is constructed by an improvement district **OR IF REPAYMENT IS FROM EXCISE TAX.**

Required Documents

- A copy of official election ballot and the official election results

For a population under 50,000 people

Legal approval of its governing body via debt authorization resolution, or **A GENERAL OBLIGATION** Bond election.

Required Documents

- A copy of official governing body's debt authorization resolution, which included a certification of the community's population
- A copy of official election ballot and the official election results (if an election as been called)

WIFA MAY REQUEST AN OPINION FROM BORROWERS' COUNSEL THAT ALL AUTHORIZATION REQUIREMENTS HAVE BEEN AT THE TIME OF THE LOAN CLOSING.

Non-governmental Borrowers

A non-governmental borrower is defined as a private water company regulated by the Arizona Corporation Commission. Non-governmental borrowers must have submitted a financing application with the Arizona Corporation Commission and received an approved order from the Arizona Corporation Commission authorizing the company to enter into a long-term loan repayment agreement with WIFA for a specified amount.

Required Documents

- Arizona Corporation Commission debt authorization order